

From: Wayne Hedberg
To: Mnrls
Date: 2/12/98 5:18pm
Subject: Ash Grove Acceptance of DOGM Executive Summary Revisions - County Canyon Mine (M/023/024)

On February 11, 1998, I telecopied some proposed **redlined** changes to Ash Grove Cement Company regarding the draft Executive Summary that is scheduled to go before the Board on February 25, 1998. The changes were made to clarify the intent of the language contained in the "During Operations" and "Following Operations" sections of the Executive Summary document.

Mr. Duane Wise of Ash Grove Cement called me in the afternoon in response to his review of the proposed changes. Mr. Wise made the following suggestions/corrections to my **redlined** language:

- 1) revise a portion of the legal description to read: the NW/4 and the NE/4 of the SW/4 of Section 25, . . . and,
- 2) change the language in the "After Operations" section of the Executive Summary to read: ". . . slopes no steeper than 2H:1V (instead of 3H:1V).

Mr. Wise stated that all other clarifications made by the Division were acceptable to AGCC. I asked Mr. Wise if AGCC had discussed the 2H:1V slope change with DOGM technical staff before they inserted it into their plan. He stated that he couldn't recall if he had discussed it directly with our staff, but did recall discussing it internally with AGCC personnel. He stated the reason they changed the proposed reclamation slope angle for the pit area was because the natural slopes are on the order of 2H:1V rather than 3H:1V, as presently approved in the original mine plan.

Mr. Wiise stated that if this was going to cause a problem with us proceeding ahead with approval of the permit amendment, then to leave it as 3H:1V for the time being. Because there is no formal written request or justification in the file (or the plan amendment) to support a change in slope angle, I left the Executive Summary as the mine plan was originally approved (i.e., with 3H:1V reclaimed slope angle). The operator can petition the Division to change this section at a future date with appropriate supporting justification.

I also had a telephone discussion with Mr. Alan Finch (Plant Engineer) on February 11, 1998 concerning the revised reclamation Surety Estimate (Attachment III) he faxed to us on February 10. I informed him that there may be a few remaining adjustments/refinements that need to be made to the reclamation estimate and that Randy Harden would evaluate the latest figures to confirm same. Randy agree to review the latest estimate and prepare a written response within the next week to 10 days.

I explained to AGCC that we were of the opinion that the present \$95,000 bond amount had sufficient buffer build in (10% contingency and 5 year escalation factor) that we could proceed as planned to present the surety to our Board for approval. If additional unforeseen adjustments are deemed necessary, they could be made during next years surety review. Mr. Finch agreed with and accepted this decision.

A copy of this email memo will be copied to the mine file. (M/023/024)

CC: RHarden